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Egypt

Citrus

Annual

2001

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Report Highlights:
Egypt exported 225,000 MT of oranges in 2000/2001, mostly to Saudi Arabia and other Arab countries. Under the EU Partnership agreement Egypt will recive the following duty free TRQ s for oranges: 50,000 MT during the first year;55,000 MT second year and 60,000 MT third year and beyond.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Cairo [EG1], EG

Fresh Oranges

PSD Table

PSD Table						
Country:	Egypt					
Commodity:	Oranges					
		1999		2000		2001
	Old	New	Old	New	Old	New
Market Year Begin		10/99		10/2000		10/2001
Area Planted	93	93	95	88	0	88
Area Harvested	90	90	92	85	0	85
Bearing Trees	4665	4665	4765	4402	0	4505
Non-Bearing Trees	3984	3984	4070	3770	0	3855
TOTAL No. Of Trees	8649	8649	8835	8172	0	8360
Production	1637	1637	1320	1610	0	1642
Imports	0	0	0	0	0	0
TOTAL SUPPLY	1637	1637	1320	1610	0	1642
Exports	208	208	200	225	0	230
Fresh Dom. Consumption	1406	1406	1095	1357	0	1382
Processing	23	23	25	28	0	30
TOTAL DISTRIBUTION	1637	1637	1320	1610	0	1642

Production

Ornges are a winter fruit well-suited to the Egyptian climate. Orange production accounts for well over half the total fruit production in Egypt. Orange cultivation is centered in two large geographic regions: the fertile Delta area and the newly reclaimed lands. About 80 percent of total Egypt's oranges production are produced by large farms (10-100 feddans) and 20 percent are produced by small farms (1-10 feddans). (One feddans= .42 hectare). Navel oranges are the predominant variety. Lesser amounts of local (baladi), sweet, valencia, and other varieties are also produced. The harvest of navel oranges begins in October and is followed by other varieties in November and December. The harvest usually lasts from 4 to 5 months.
In 2000, the orange area decreased to 88,000 hectares, compared to 93,000 hectares in 1999, because some citrus farmers switched to growing more profitable cash crops such as banana, peaches, apricot and grapes. Total orange production decreased by about 1.6 percent in 2000/2001. The decline in orange production was mainly due to a

decrease in average yield, 7.78 MT/feddan in 2000/2001, compared to 8.05 MT/feddan in 1999/2000. The decrease in yield was due to heat waves during May and June which damaged some bearing trees. For the 2001/2002 season, the orange area is expected to remain as the same 2000, while production is expected to increase by about 2 percent. This expected increase in production is due to the absence of strong winds which usually cause damage to fruit sets.

Consumptuon

Oranges are the main fruit available in Egypt during the winter. Due to the fact that oranges are relatively inexpensive, Egyptians consume large amounts of oranges, both as fresh and juice. Per capita consumption of oranges is estimated at about 22 Kg per year. The orange processing industry is expanding due to the increased number of companies producing orange juice. At the present time, there are six major orange juice processors in Egypt including Enjoy, Juhayna, Kaha, Edfina, Foodico and Faragalla companies. Most companies depend on the baladi and summer varieties for processing. Domestic production is primarily destined for fresh consumption. Imported orange juice is also available in the market. Egyptian citrus grown in arid areas (reclaimed desert land) is characterized by low juice content, while fruit produced in the more humid regions, mainly along the Red Sea and Mediterranean coast, has much higher juice content.

Trade

The Egyptian orange export season is relatively long, extending from December to April, and this is quite favorable for the export of navel oranges. Although Egypt has excellent opportunities for expanding its orange exports due to its favorable climate and strategic geographic location, exports of Egyptian oranges to the European market continue to be limited by the uneven quality of Egyptian oranges as well as by competition from other suppliers such as Spain, Israel, and Morocco. European countries import baladi and summer varieties, mainly for juicing, while Saudi Arabia is currently the largest market for Egyptian table oranges. Total Egyptian orange exports in 2000/2001 are estimated at 225,000 MT, compared to 208,000 MT in 1999/2000. Most of this increase was due to increase orange exports to the Saudi market which increased by about 10,000 MT. For 2001/2002. Exports are expected to increase by about 5,000 MT, because of anticipated opportunities in the Chinese market if the government ongoing agricultural quarantine negotiation with China succeeds. In addition, the devaluation of the Egyptian pound is expected to reflect positively on Egyptian orange exports. The current average export price of fresh oranges is between $280/MT FOB as compared to $ 270/MT FOB during the same period last season (beginning of export season). Exporters reported that prices are expected to be about $ 250/MT FOB by the end of the 2001/2002 season as market supply increased.

The EU-Egyptian Partnership Agreements which was signed in June 24, 2001 will offer tariff concussions for Egyptian orange exporters. Following the implementation of the agreement, Egypt will receive a duty- free 50,000 MT TRQ, for fresh or dried oranges (080510); 55,000 MT during the second year and 60,000 MT during the third year and beyond. The current TRQ for oranges is 8,000 MT at zero duty from December through May provided that the entry price is at least EUR 266/MT. The following provision applies to Egypt's orange TRQ. Fresh sweet oranges which fall in headings 08051010, 08051030 and 08051050 can only be imported into the EU from December first to May 31 with limit of no more than 34,000 MT at an agreed entry price of EUR 264/MT . If the price for a consignment is lower than 92% the agreed entry price, the specific duty bound within the WTO will apply. Export quantities above the TRQ amount will be assessed at 60% of EU's MFN tariff.

Egyptian exporters prefer to sell their production for cash on FOB basis in order to avoid the risk of being rejected due to SPS reasons, or being in a position to face adjusted prices due to quality factors. At the present time, there are about 20 private sector small to medium size and four large orange exporters in Egypt. According to industry experts, three major companies control about 78% of the export market. One public sector company still active in the orange sector controls about 20 % of the export market.

Export Trade Matrix

Export Trade Matrix			
Country:		Units:	MT
Commodity:			
Time period:			
Exports for	1999		2000
U.S.		U.S.	
Others		Others	
Saudi Arabia	129,714	Saudi Arabia	140,449
Other Arab Countries	44,933	Other 'Arab Countries	45,188
Hong Kong	10,554	England	10,983
England	8,935	Russia	6,356
Indonesia	4,140	Ukraine	4,401
Holland/ Ireland	1,326	Indonesia	3,254
Belgium	1,775	Germany	3,158
Russia	1,440	Hong Kong	2,763
Yugoslavia	986	Belgium	2,428
Singapore	645	Malaysia	1,424
Total for Others	204448		220404
Others not listed	3,552		5,048
Grand Total	208000		225452

Fresh Tangerines

PSD Table

PSD Table						
Country:	Egypt					
Commodity:	Fresh Tangerines					
		1999		2000		2001
	Old	New	Old	New	Old	New
Market Year Begin		10/99		10/2000		10/2001
Area Planted	38	38	40	39	0	39
Area Harvested	34	34	35	35	0	35
Bearing Trees	2080	2080	2140	2135	0	2140
Non-Bearing Trees	1022	1022	1070	1052	0	1047
TOTAL No. Of Trees	3102	3102	3210	3187	0	3187
Production	478	478	430	481	0	483
Imports	0	0	0	0	0	0
TOTAL SUPPLY	478	478	430	481	0	483
Exports	10	10	10	8	0	10
Fresh Dom. Consumption	463	463	420	471	0	473
Processing	5	5	0	2	0	0
TOTAL DISTRIBUTION	478	478	430	481	0	483

Production

The major variety of tangerines grown in Egypt is the mandarin, a local "Baladi" variety which is not a hybrid variety. Mandarins are mainly produced for the local market with limited quantities for the export market. In 2000/01, total tangerine production increased to 481,000 MT, or 3,000 MT over the 1999/2000 level. This increase is attributed mainly to the increase in the area planted to mandarins resulting in some farms shifting from orange to mandarin production because mandarin trees are more resistant to pests than orange trees and because mandarin trees bear at an earlier age than orange trees. The mandarin production season is shorter than the orange season. The marketing season begins in November/December but ends in February/March, about two months earlier than the orange season.

Consumption

Despite the predominance of orange production, many Egyptian consumers prefer mandarins to oranges because they are easier to eat. During the 2000/01 marketing season (November-October), wholesale prices averaged L.E. 0.70 per Kg, and retail prices were around LE 1.10 per Kg.
In 2000/01, total mandarin consumption increased to 471,000 MT compared to 463,000 MT in 1999/2000.

Trade

All mandarin exports are handled by the private sector. Mandarins do not require a special cleaning or waxing process. The major export market for Egyptian mandarins is the Gulf countries. About 8, 000 MT of Egyptian mandarins were exported in 200/01, of which 3,800 MT were exported to Saudi Arabia , 2,000 MT to Kuwait and 1,600 MT to Qatar. The balance was exported to African and European countries. The average export price for mandarins in the 2000/01 season was estimated at about $220 MT/FOB.

Fresh Citrus, Other

PSD Table

PSD Table						
Country:	Egypt					
Commodity:	Fresh Citrus,Other					
		1999		2000		2001
	Old	New	Old	New	Old	New
Market Year Begin		10/1999		10/2000		10/2001
Area Planted	18	18	19	17	0	17
Area Harvested	16	16	17	16	0	16
Bearing Trees	770	770	800	765	0	770
Non-Bearing Trees	660	660	700	630	0	625
TOTAL No. Of Trees	1430	1430	1500	1395	0	1395
Production	355	355	370	347	0	350
Imports	0	0	0	0	0	0
TOTAL SUPPLY	355	355	370	347	0	350
Exports	17	17	18	15	0	18
Fresh Dom. Consumption	325	325	337	318	0	317
Processing	13	13	15	14	0	15
TOTAL DISTRIBUTION	355	355	370	347	0	350

Production

Sweet and sour limes and bitter oranges are the major types of other citrus produced in Egypt. Limes, known as “lamuun” in Arabic, account for most of this category. Lime trees produce throughout the year, with the greatest output occurring in the late summer months of September and October. Egyptian consumers have a strong preference for limes. Fresh sliced limes often are served with meals. A heavily sweetened fresh lime juice is also very popular, as are pickled limes which accompany many dishes.

Most of the production of bitter orange is processed into jelly and marmalade. According to Ministry of Agriculture statistics, total bitter orange production in 2000 season is estimated at 29,370 MT

Grapefruit is another citrus fruit that is not very popular in Egypt. Most of the grapefruit grown are seedless varieties. The area currently under cultivation is estimated at approximately 100 hectares, mainly to service hotels, restaurants and other facilities that cater to the tourist industry. Unless export demand increases, grapefruits are not expected to become a significant citrus crop.